

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814



February 20, 1980

ALL-COUNTY LETTER NO. 80-13 (COUNTY FISCAL ADM BUR)

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: NONFEDERAL SHARE OF AFDC-BHI RATE INCREASES

REFERENCE: ACL #79-70

This is to provide claiming instructions for reporting the total nonfederal share of increases to AFDC-BHI payment rates not reimbursable from state funds (Line 16A of the CA 800 AFDC-BHI claim).

All-County Information Notice 1-118-79 dated October 18, 1979 requested counties to ignore Line 16A in computing the state share on the AFDC-BHI claim form until these instructions were issued.

For the current month, the nonfederal share of that portion of the aid payment which exceeds the payment subject to state reimbursement in accordance with DSS Manual Section 11-302.1 must be identified on the payroll (or on a separate listing) for each case for which the nonreimbursable rate increase is paid. In addition, for the fiscal year beginning July 1, 1979, a retroactive adjustment must be reported for any month in which the amount paid exceeded the payment subject to state reimbursement. The total for the current month plus the total for retroactive adjustments, if any, will be reported on Line 16A of the current month's claim. All adjustments must be reported no later than the June 1980 claim. This will ensure that state and county participating shares are accurately reflected for the fiscal year.

When reporting retroactive adjustments or when a separate listing is used for current month reporting, each entry must be substantiated with the following information:

1. The case number.
2. Payee as reported on the original payroll (Note: If payments are reported on the original claim in sequence by vendor number, the vendor number must be shown also.)
3. The month for which the payment was made.
4. The amount of the payment.
5. That amount of the payment not reimbursable from state funds. (For nonfederal cases, this is the difference between the amount paid

(the county approved rate) and the payment subject to state reimbursement in accordance with DSS Manual Section 11-302.1. For federal cases this is one-half the difference between the amount paid (the county approved rate) and the payment subject to state reimbursement in accordance with DSS Manual Section 11-302.1.

Adjustments for payment made for partial months should be computed as follows:

The amount paid divided by the county approved rate equals the percentage of the county approved rate paid. This percentage multiplied by the difference between the payment subject to state reimbursement and the county approved rate equals the total increase to the payment rate not reimbursable from state funds, e.g.

<u>County Approved Rate</u>	<u>Payment Reimbursable From State Funds</u>	<u>Difference</u>
\$709.00	\$633.00	\$76.00

$$\frac{\text{Partial Month Payment}}{\$473.00} = 66.7\% \text{ of } \$709.00$$

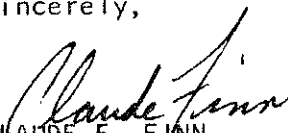
$66.7\% \times \$76.00 = \51.00 = Total nonfederal share of payment not reimbursable from state funds if payment made for a nonfederal case.

$\$51.00 \times .5 = \25.50 = Total nonfederal share of payment not reimbursable from state funds if payment made for a federal case.

Retroactive adjustment documentation may be submitted in whatever format is best suited to the county's system, i.e., manual, computer run, etc., as long as the required information is provided.

If we can be of any assistance, please call Gen Whitfield at 916/323-0277 or Willa Wallen at 916/323-0265.

Sincerely,


 CLAUDE E. FINN
 Deputy Director
 Administration

cc: CWDA